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COUNTRY Korea SUBJECT Economic Conditions at the Kilchu Market Place NO. OF PAGES 11 DATE OF X1INFO. X1PLACE SUPPLEMENT TO		INFORMATION REPORT	REPORT NO.
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THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE: OF THE UNITED STATES, WITHIN THE MEANING OF TITLE 18, SECTIONS 193 AND 794, OF THE U.S. CODE, AS AMENDED. ITS TRANSMISSION OR REVE— LATION OF ITS CONTENTS TO OR RECEIPT BY AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. THE REPRODUCTION OF THIS FORM IS PROHIBITED.	THIS DOCUMENT		

- 1. On 14 October 1952 the Hyang Kyo Kol market place in Kilchu (129-20, 40-58) (EA-2835) was in a valley at EA-292332 in an area within a circumference of approximately seventy meters. None of the buildings were stationery. The temporary wood-framed kiosks were covered with straw bags and were limited by law to a space of four square meters. Twenty-four stalls were used for dry goods, 50 for grain, 14 for fish and 26 for miscellaneous commodities. Many farmers came to the market daily and sold their produce in the open ground area.
- 2. The shops were stocked with a variety of native Korean products and goods from Communist China, the USSR, Czechoslovakia, Japan, and the United States. Commodities from China had been smuggled and were sold "under the counter" in small quantities. These items were usually obtained from the smugglers in exchange for machinery and for opium secretly produced in remote mountain areas of North Korea. When smugglers were caught, all their goods were confiscated. Smugglers picked up for a third offense were sent to forced labor camps in Manchuria.
- 3. The shop-keepers' average capital investment was about 70,000 North Korean won, with the largest investment about 100,000 won. Each merchant paid a city tax of 30 won per day for using the market place. He also had to pay a dealer's tax that has increased sharply since July, forcing many smaller merchants out of business. In July the dealer's tax averaged about 6,000 won a month. In October, the tax had been increased to about 22,000 won monthly. Some of the merchants forced to close became peddlers. The tax for this type of business was about 2,000 won.

CLASSIFICATION

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4. On 14 October 1952 the prices of food and other commodities at the Hyang Kyo Kol market in Kilchu were as stated in the following list. Grain prices, as quoted, were slightly higher than consumers guild prices. However, market merchants compensated for this difference by giving more liberal weights and measurements. This made prices in both places virtually the same. All Chinese items were smuggled into North Korea.

a. Food

Item ²	Unit of Measurement ³	Wholesale Price	Retail Price
Rice	l large mal	1,750 NK won	1,800 NK won
Millet	l large mal	1,570	1,600
Barley	l large mal	980	1,000
Wheat	1 large mal	960	980
Sorghum	l large mal	790	800
Flour (S)	l kilogram	Unknown	120
Beans	l large mal	780	800
Red Beans	l large mal	780	800
Bean Oil	l large mal	Unknown	2,000
Bean Sauce	l kilogram	Unknown	40
Bean Cakes	7 kilograms	320	350
Wine	l large mal	Unknown	900
Salt	1 mal ⁴	Unknown	1,000
Potatoes	l large mal	590	600
Radishes	l kilogram	Variable	80
Cabbage	l kilogram	Variable	80
Onions	l kilogram	Variable	80
Garlic	100 cloves	Variable	800
Beef	l kilogram	Variable	100
Pork	l kilogram	Variable	100
Eggs	6.1	Variable	15
Salt Mackerel	2	Variable	130
Dried Pollack	20	Variable	500
Sea Laver (seaweed)	l kwan	Variable	480
Apples	ı	5	8
Pears	ı	8	10

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Item ²	Unit of Measurement ³	Wholesale Price	Retail Price	
Peaches	1	5 NK won	8	NK won
b. Restaurant Pric	es			
	cymicalismo .			
Noodles	l bowl		100	
Rice	l bowl		150	
Rice with meat	1 bowl		150	•
	·			
c. Services				
Hotel room	l night	• * .	50	
Hotel room	1 night with two	mea ls	400	1
Hair cut			40	
Horse-cart hire	Chiongjin to Kil	chu (3-day trip)	10,000	
Coolie hire	1 day with meals		300	
d. Livestock				
			·	
Plowing ox	1 head		50,000	
Cow	1 head	9	40,000	134
Calf (1 year old)	1 head		7,000	
Pig (1 year old)	1 head		2,500	
Chicken	1		500	
e. Clothing			7	
Men's socks	l pair	140	150	
Men's socks (C)	l pair	Unknown	300	
Men's socks (C)	l pair	Unknown	250	
(second quality)	Fig. 3			
Men's socks (CC)	l pair	Unknown	200	
Rayon stockings	l pair	90	100	
Cotton gloves	l pair	170	180	
Leather boots (C)	1 pair	3,400	3,500	
Leather shoes (men s) (C)	l pair	3,700	3,800	

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I _{tem} 2	Unit of Measurement ³	Wholesale Price	Retail Price
Leather shoes (C) (children's)	l pair	1,700 NK won	1,800 NK won
Basketball shoes (CC)	l pair	Unknown	5,000
Tennis shoes (CC)	l pair	Unknown	3,000
Men's rubber shoes	l pair	1,850	1,900
Women's rubber shoes	1 pair	1,450	1,500
Children's rubber shoes	l pair	1,170	1,200
Rubber overshoes (5)	l pair	Unknown	2,300
Leather belt (C) (second hand)	1	Unknown	700
f. Dry Goods	4.		
Cotton cloth	20 feet	3,000	3,200
Cotton sheeting (Cock brand) (CC)	40-yard bolt	30,600	31,000
Cotton sheeting (Barley brand) (CO	42-yard bolt	26,600	27,000
Cotton sheeting (Special brand) (C	40-yard bolt	30,600	31,000
Black cotton cloth (CC)	41-yard bolt	29,600	30,000
Cotton gauze	40-yard bolt	18,600	19,000
Lining material	20 yards	900	1,100
Cotton batting (used)	1 kwan	3, 300	3,500
Coarse linen	20 feet	1,800	2,000
Linen gauze (CC)	40 feet	2,300	2,600
Rayon	20 meters	6,000	6,200
Terry cloth towel (CC)	1	950	1,000
Terry cloth towel (medium)	1	650	700
Cotton thread (CC)	3,000 meters	3,000	3,100
Hand towel	1	550	600
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Item ²	Unit of Measurement ³	Wholesale Price	Retail Price
g. <u>Fuel</u>			-
Gasoline	1 drum	,70,000 NK won	80,000 NK won
Petroleum	1 drum	Unknown	95,000
Charcoal	l bundle	Unknown	480
Wood	l cartload	Unknown	1,200
Pine branches	1 cartload	Unknown	1,000
Carbide	1 kwan	Unknown	480
h. Medicines			
	- 1	7	
Soda (sic)	l kwan	1,700	2,000
Penicillin (CC)	20,000 units ⁵	Unknown	2,500
Penicillin (US)	20,000 units ⁵	Unknown	3,000
Streptomycin (US) (powdered)	1-ounce bottle	Unknown	7,500
Sulphadiazine	1 tablet (5 grains)	Unknown	100
i. Writing Materia	als		*
Writing paper	1 sheet	95	100
Note book	1	45	50
Lead pencil	1	. 8	10
Lead pencil (C)	1	Unknown	60
Colored crayon pencil (C)	1	Unknown	100
Pen points	100 (box)	300	330
Lampblack ink	1 stick	40	45
Blue ink	l bottle	27	30
Writing brush	1	Unknown	130
Fountain pen (CC)	1	950	1,000
j. Cosmetics and N	otions	, 4	
Face powder (CC)	1 small box	300	310

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Item ²	Unit of Measurement ³	Wholesale Price	Retail Price
Face cream	l jar	430 NK won	500 NK won
Vanishing cream	l jar	Unknown	1,000
Hair tonic (CC)	1 small bottle	480	500
Tooth paste	1 tube	55	60
Tooth paste (CC)	1 tube	320	340
Tooth brush	1	58	60
Tooth brush (second quality)	1	23	25
Tooth b rush (CC)	1	2,000	2 , 100 ⁶
Toilet soap	1 bar	Unknown	100
Toilet soap (CC)	l bar	300	310
Comb	, 1	140	150
Hair pins	100	200	210
Focket mirror	1 .	48	50
k. Smoking Supplie	<u>s</u>		
Tobacco	1 tin	70	100
Tobacco (S)	1 tin	Unknown	200
Tobacco (CC)	l tin	300	330
Book matches	l book	Unknown	150
Book matches (CC)	1 book	200	250
Lighter flint (US and J)	1,,,	Unknown	50
1. Miscellaneous A	rticles and Materia	als	
Light bulb (60-watt)	1	550	600
Light bulb (100-watt)	ı	1,450	1,500
Light bulb (100-watt) (CC)	1	1,450	1,500
Sewing needle (CC)	1 packet	10,000	11,000 ⁶
Sewing machine needle	1	Unknown	700

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Item ²	Unit of Measurement ³	Wholesale Price	Retail Price
Saw	1	Unknown	500 NK won
Spikes (4-inch)	1 kwan	Unknown	3,700 ⁶
Nails (2-inch)	l kwan	Unknown	6 , 000 ⁶
Laundry soap	l bar	Unknown	200
Old newspapers	1 kwan	Unknown	380
Old magazines	1 kwan	Unknown	380
Leather brief case (second hand) (C)	1	Unknown	5,000
Suitcase (C) (second hand)	1	Unknown	13,000
Bicycle tires (with tubes) (CC)	l pair	Unknown	2,3006
Raw rubber 7	1 kwan	Unknown	13,0006
Pure gold (from any origin)	3.75 grams		60,000

- 5. On 13 October 1952 the consumers guild department store of Kilchu was in the Hyang Kyo Kol market place at point EA-291333. This store had three employes, one in charge of cloth and miscellaneous goods, one in charge of dry grain and beverages, and a third in charge of vegetables, fish, and supplies of this type. Clothing was brought to the store from the Kilchu National Department Store warehouse at EA-291333. Grain was brought in from the Onsup yong (129-22, 11-04) (EA-3146) railroad station. The source of other supplies was undetermined.
- 6. The consumers guild store had no warehouse of its own. All available items were displayed in the store. The quantities of these goods were so small that their prices had no effect on free market prices. Actually the reverse was true and free market prices influenced those in the consumers guild store. This store often purchased supplies from independent dealers to keep up the stock.
- 7. Prices in the Kilchu consumers guild store on 13 October 1952 were:

a. Food

Item ²	Unit of Measurement		Price
Rice	9 pounds		870 NK won
Wheat	9 pounds	-	650
Sorghum	9 pounds		600
Flour (S)	l kilogram		120
Soy beans	9 pounds		870
Potato flour (CC)	l kilogram		170

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Item ²	Unit of Measurement ³	Price
Bean oil	.18 pound	200
Bean sauce	l kilogram	32
Soy sauce	1.8 pound	50
Wine	1.8 pound	1,170 ⁶
Salt	9 pounds	470
Green pnions	l kwan	. 80
Red peppers	9 pounds	400
Egg plant	l kilogram	23
White turnips	l kilogram	80
Beef	l kilogram	100
Pork	1 kilogram	100
Dried mackerel	2	100
Dried seaweed	l bundle	450
Apples	l kilogram	40
Pears	l kilogram	50
Biscuits (S)	50 in a box	450
c. Clothing		3
Coat (men s) (H)	1	5,000
Undershirt (men¹s, first quality)	1	500
Undershirt (men's, medium quality)	1.	280
Stockings (men's)	l pair	150
Stockings (wool, men's)	l pair	500
Hat (men's)	1	500
Cap (linen)	1	800
Sweat shirt	1	350
Undershirt (women's)	1.	250
Stockings (women's) (CC)	l pair	320
Stockings (women's synthetic silk)	l pair	280
Cap (child's)	1	500

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Item ²	Unit of Measurement ³	Price
Leather boots (C)	l pair	3,030 NK won
Canvas and rubber shoes	l pair	700
Black rubber shoes (men's)	l pair	1,700
Black rubber shoes (won en 's)	l pair	1,300
Rubber shoes (child's)	l pair	1,100
c. Dry Goods		
Coat material (U) (cotton-wool)	1 meter	2,500
Summer hemp cloth (U)	1 meter	700
Sheeting cloth	l meter	700
Cotton cloth	200-foot bolt	2,870
Cotton towel (first quality) (CC)	1	1,000
Cotton towel (Second quality) (CC)	1	700
d. Writing Materials		
Pencil (CC)	1	60
Pencil	1	10
Pen points (CC)	100	570
Pen holder	1 , , (8)	30
Pencil (color) (C)	1	100
Notebook	1	50
White paper	1 sheet	93
e. Cosmetics and Notions		
Toilet soap (third quality)	1 bar	100
Laundry soap (third quality)	1 bar	200
Tooth brush (medium quality) (CC)	1 ,	420

25X1

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I _{tem} 2	Unit of Measurement ³	Price
Tooth paste (low quality) (CC)	1 tube	110 NK won
Tooth powder (low quality) (CC)	1 bag	110
Cigarettes (S)	1 pack	200
Matches	1 box	15
nas been made in units reports from the same g sharp drop in the price time. for (129-49, 41-47) (EB-66 report from Songin (129-49) (129-4	es of food staples in a shor or a June 1952 report from C	with price reveals a 25X1 to period of the fongjin tember 25X1 to the two di the
stated): Item Kilchu October 1952	Ch'ongjin June 1952	Songjin September 1952
rice 1,800 eggs 15 eac bean oil 504 gal beef 100 kil millet 1,600 potatoes 600 beans 800 sorghum 800	.lon 2,725	5,000 info. not available "" " " 3,600 600 2,600 3,400
the items indicate the (S) USSR; (C) Czecho United States; (J) Ja	symbols in parenthesesimmed: country in which they origin slovakia; (CC) Communist (pan; (H) Hungary and (U) es, the item was produced in	Lately following nated. They are: China; (US) unknown. Where
used in this report are rice or about one-half	equivalents of the Korean us large mal, a little less to bushel and for liquids, about, half of a large mal; kwan,	than 30 pounds of at 18 liters or
4. Comment. In this large or small mal was probably intended.	case did not indused in measurement but the	dicate whether a 25X1 small mal was
Comment. 20,000 unit bottle since the smallest quantities	probably mistook a 200,0 e a check with medical author of penicillin came in 50,00	rities showed that

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25X1

Comment. The contrast between the price of a tooth brush imported from Communist China and one of North Korean manufacture seems incredible. The following prices also seem unreasonable: 11,000 won for a packet of sewing needles; 3,700 won for four-inch spikes in contrast with 6,000 won for the same quantity of two-inch nails; raw rubber at 13,000 won for about eight pounds with the price of bicycle tires with tubes quoted at 900 won; one large mal of wine on the free market at 900 won and in the consumers guild store at 1,170 won for 1.8 pounds (sic).

25X1

7. Comment. the raw rubber was produced in North Korea. It was probably imported from Communist China.